

**RESOLUTION NO. 2016-01 TIRZ #4**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TAX INCREMENT REINVESTMENT ZONE (TIRZ) NUMBER FOUR, CITY OF EULESS, TEXAS APPROVING A CONSTRUCTION, FUNDING, AND DEVELOPMENT AGREEMENT WITH THE CITY OF EULESS AND CADG 901 AIRPORT FREEWAY, LLC; AND APPROVING THE DEDICATION AND USE OF REVENUE IN THE TIRZ FUND AND CONSTRUCTION FUND TO THE CITY OF EULESS, TEXAS.**

**WHEREAS**, as authorized by Chapter 311 of the Texas Tax Code (the "Act") and pursuant to Ordinance No. 2089, adopted by the City Council of the City of Euless, Texas (the "City") on September 22, 2015, the City created Tax Increment Reinvestment Zone Number Four, City of Euless, Texas (the "Zone"); and

**WHEREAS**, pursuant to Ordinance No. 2089 the City created the Board of Directors for the Zone ("TIRZ Board"); and

**WHEREAS**, CADG 901 Airport Freeway, LLC (the "Developer") has undertaken a project to improve and develop a site of approximately 56 acres within the Zone as a first class mixed use development with urban residential and retail uses to be known as Euless Midtown (the "Development"); and

**WHEREAS**, the Developer proposes to construct public improvements for the benefit of the Development ("Authorized Improvements"); and

**WHEREAS**, the TIRZ Board has approved a project and financing plan for the Zone which includes the Authorized Improvements for the Development; and

**WHEREAS**, the total revenue collected and required by the Act to be deposited into a tax increment fund ("TIRZ Fund") each calendar year from participating taxing entities is referred to herein as the "TIRZ Revenue"; and

**WHEREAS**, the City has agreed to issue certificates of obligation for the purpose of funding the Authorized Improvements as set forth in the Construction, Funding, and Development Agreement between the City of Euless, the Developer, and the TIRZ Board; and

**WHEREAS**, pursuant to the Construction, Funding, and Development Agreement the City has agreed to loan to the TIRZ Board the proceeds from the certificates of obligation which will be placed in a Construction Fund that will be used to finance the construction and acquisition of the Authorized Improvements and guarantee debt service payments on the certificates of obligation; and

**WHEREAS**, a Public Improvement District (“PID”) that encompasses the Development has also been created for the purpose of financing the acquisition, construction, and installation of the Authorized Improvements through assessments on the properties within the PID (“PID Assessments”); and

**WHEREAS**, the Construction, Funding, and Development Agreement authorizes the use of TIRZ Revenue to reduce the amount of the PID Assessment on the PID Properties to fund the construction of the Authorized Improvements and also authorizes the use of TIRZ Revenue in the TIRZ Fund to pay the City’s debt service on the certificates of obligation issued by the City; and

**WHEREAS**, the TIRZ Board finds that the use of TIRZ Revenue in the TIRZ Fund and monies in the Construction Fund to pay for the Authorized Improvements and the City’s debt service for the certificates of obligation will further the purposes of the Zone and is necessary for the implementation of the project and financing plan for the Zone.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER FOUR, CITY OF EULESS, TEXAS, THAT:**

**SECTION 1.**

The Construction, Funding, and Development Agreement between the City of Euless, CADG 901 Airport Freeway, LLC, and the TIRZ Board is hereby authorized and approved.

**SECTION 2.**

All TIRZ Revenue that accrues in the TIRZ Fund shall be dedicated for payment of the City’s annual debt service as a priority payment over all other lawful expenditures of the TIRZ Fund as set forth in the Construction, Funding, and Development Agreement. The City Manager is hereby authorized to withdraw and utilize monies from the TIRZ Fund and the Construction Fund as provided in the Construction, Funding, and Development Agreement.

**SECTION 3.**

This Resolution shall take effect immediately from and after its passage and it is accordingly so resolved.

**PASSED AND APPROVED** at a meeting of the Board of Directors of the Tax Increment Reinvestment Zone Number Four, City of Euless, Texas on the \_\_\_\_ day of \_\_\_\_\_ 2016 by a vote of \_\_\_\_ ayes, \_\_\_\_ nays, and \_\_\_\_ abstentions.

**APPROVED:**

\_\_\_\_\_  
Linda Martin, Chairman, Board of Directors  
Reinvestment Zone Number Four, City of Euless, Texas

**ATTEST:**

\_\_\_\_\_  
Kim Sutter, TRMC, Board Secretary